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### MINISTRY OF FINANCE

(Department of Economic Affairs)

#### NOTIFICATIONS

*New Delhi, the 26th December 1962*

#### EMERGENCY RISKS (GOODS) INSURANCE SCHEME

**S.O. 3945.**—In exercise of the powers conferred by sub-section (1) of section 5 of the Emergency Risks (Goods) Insurance Act, 1962 (62 of 1962), the Central Government hereby puts into operation the following scheme.

1. **Short title, extent and commencement.**—(1) This scheme may be called the Emergency Risks (Goods) Insurance Scheme.

(2) It extends to the whole of India.

(3) It shall come into force on the first day of January, 1963.

2. **Definitions.**—In this scheme, unless the context otherwise requires—

(i) “the Act” means the Emergency Risks (Goods) Insurance Act, 1962 (62 of 1962);

(ii) “Government agent” means any person employed under section 6 to act as the agent of the Central Government for any of the purposes of the Act;

(iii) “paragraph” means a paragraph of this scheme;

(iv) “policy” means a policy of insurance issued under this scheme, and includes any supplementary policy;

(v) “quarter” means a period of three months commencing on the first day of January, April, July or October;

(vi) “section” means a section of the Act;

(vii) words and expressions not defined herein have the meanings assigned to them in the Act.

3. **Scope and extent of the scheme.**—(1) The Central Government hereby undertakes in relation to persons carrying on business in India as sellers or suppliers of goods, the liability of insurance of such persons against emergency risks, to the extent provided by the Act, in respect of goods insurable under the Act which are from time to time owned or deemed to be owned by such persons in the course of such business.

(2) The Central Government also hereby undertakes,—

- (a) in relation to any person carrying on business in India as a seller or supplier of goods, the liability of insuring that person against emergency risks to the extent provided by the Act, in respect of goods insurable under the Act which are not owned by him or deemed to be owned by him but in which he has an interest arising in the course of that business;
- (b) in relation to a person carrying on any business in India, the liability of insuring that person against emergency risks to the extent provided by the Act,—
  - (i) in respect of any goods situated in India which are in his possession, otherwise than under a hire purchase agreement, for the purposes of that business, or
  - (ii) in respect of any goods situated in India which are subject to a mortgage, pledge or charge in his favour in the course of his business, being in either case goods which are not owned by him but which are insurable under the Act in relation to the person by whom they are owned;
- (c) in relation to a person carrying on any business in India, the liability of insuring that person against emergency risks to the extent provided by Act, in respect of any goods situated in India, which, having been sold in India, for export from India, are in his possession for the purpose of such export and are goods which were prior to such sale insurable under the Act in relation to the person by whom they were then owned; and
- (d) in relation to any person carrying on any business in India as a seller or supplier of goods, the liability of insuring that person against emergency risks to the extent provided by the Act in respect of goods imported into India through any port in India, while such goods are situated at such port or are in transit to a place in India.

**4. Compulsory insurance.**—(1) Every person carrying on business in India as a seller or supplier of goods which have not been exempted under sub-section (2) of section 3 shall take out a policy of insurance against emergency risks, to the extent provided by the Act, in respect of goods insurable under the Act which are from time to time owned or deemed to be owned by such person in the course of such business:

Provided that the taking out of such an insurance policy shall not be necessary if the insurable value of the said goods in any one and the same Presidency town or district is equivalent to or less than the sum of thirty thousand rupees:

Provided further that nothing in this scheme shall be deemed to require any person who is compulsorily liable to insure any goods in any Presidency town or district under this scheme (on the ground that their value in that Presidency town or district exceeds thirty thousand rupees) to insure any other goods situated in any other Presidency town or district compulsorily under this scheme, unless the value of the goods situated in the latter Presidency town or district, as the case may be exceeds thirty thousand rupees.

(2) Where, as a result of the turn over of, or any change in, the stock of goods owned or deemed to be owned by a person who has taken out a policy of insurance against emergency risks in respect of such stock of goods, there is a net increase, after the issue of the policy of insurance, in the insurable value of such stock of goods, such person shall take out a further policy of insurance against emergency risks to the extent provided by the Act in respect of such net increase in the insurable value of such stock of goods:

Provided that a person who owns or is deemed to own insurable goods, the stock of which is likely to fluctuate, may, instead of taking out a policy of insurance for the actual value of the insurable goods existing at the time when the policy of insurance is taken out, take out a policy of insurance under this scheme for the maximum amount beyond which the insurable value of the stock of insurable goods is not likely to fluctuate.

**5. Voluntary insurance.**—(1) Any person who carries on business as a seller or supplier of goods insurance under the Act and which are owned by him in the

course of such business may, at his option, take out a policy of insurance in respect of such goods against emergency risks, notwithstanding the fact that the value of such goods in one and the same Presidency town or district does not exceed thirty thousand rupees.

(2) Where any voluntary insurance of goods is made under this paragraph, liability of the Central Government as insurer shall not extend to more than eighty per cent of the insurable value of the goods insured.

**6. Goods in transit.**—For the purposes of this scheme, goods in transit shall be deemed, throughout the period commencing on the date on which they are consigned to any carrier and ending on the date on which they are delivered to the consignee, to be situated in the Presidency town or district in which the place of consignment is located.

**7. A single policy for all goods in a Presidency town or district.**—Every person insuring goods against emergency risks under this scheme shall apply for insurance under a single policy covering all insurable goods which may at the time of the application be owned by him within one and the same Presidency town or district and which are not at the time of such application covered by any other policy insuring them against emergency risks under this scheme, but any such person insuring any goods in more than one Presidency town or district may apply for a single policy of insurance covering all his goods in all the Presidency towns or districts, if he indicates in that application the insurable value of the goods situated in each Presidency town or district separately.

**8. Method of Application.**—(1) Every application for insurance under this scheme shall be in accordance with the form set out in the First Schedule and shall be made to the Government agent or to such officer of the Government agent as may be authorised by that agent in this behalf.

(2) Every such application shall be accompanied by a treasury chalan evidencing payment of the requisite premium into a Government Treasury under the head LXIA—Receipts connected with the National Emergency, 1962—Central—Insurance premiums under the Emergency Risks (Goods) Insurance Scheme.

**9. Mode of valuation of insurable property.**—The insurable value of goods for the purposes of this scheme shall be arrived at on the basis of the prices prevailing at the time that the policy of insurance covering the goods takes effect or is intended to take effect and shall, whenever any such policy is replaced or renewed, be arrived at on the basis of the prices prevailing at the time that the policy is so replaced or renewed.

**10. Rate of Premium.**—(1) The premium payable under any policy of insurance issued in respect of the quarter ending on the 31st March, 1963, shall be payable at the rate of fifteen naye paise for every hundred rupees or any part thereof, of the sum insured.

(2) The amount of any premium payable under sub-paragraph (1) shall be rounded off to the nearest rupee and shall be payable in one lump sum in respect of the entire quarter for which the policy is or is continued in force, provided that if any goods become insurable or are insured under this scheme after the commencement of a quarter, the premium shall be payable in one lump sum, which shall be equivalent to the amount payable in respect of goods insurable during the entire quarter reduced by an amount which bears to the first mentioned amount the same proportion as the number of completed months in that quarter before the goods become insurable or are insured bears to three, the actual amount due in accordance with this provision being rounded off to the nearest rupee.

**11. Issue of policy and verification of previous policies.**—(1) If an application has been correctly made out in the prescribed form, accompanied by a treasury chalan evidencing payment of the premium into a treasury under the head of account specified in sub-paragraph (2) of paragraph 8 the Government agent shall issue a policy of insurance as soon as possible after the receipt of such an application.

(2) If no chalan accompanies an application, or if the chalan is not in order, the application shall be returned to the applicant for re-submission alongwith the required chalan.

(3) If the chalan accompanying an application is in order, but the application for insurance is not in accordance with the form set out in the First Schedule, the

chalan may be retained by the Government agent and the application returned to the applicant for re-submission after being correctly made out.

(4) If the chalan accompanying an application form is for an amount which falls short of the premium due on the insurable value of the goods, a policy for such proportion of the insurable value as the amount paid under the chalan bears to the premium due shall be issued, and the applicant shall be asked to make a further application in respect of the balance of the insurable value of property which may remain uncovered.

(5) Notwithstanding anything contained in the foregoing provisions of this paragraph, if any applicant has taken out an insurance in respect of the same goods or any part thereof against fire, marine, accident or export credit insurance risks with any insurer other than the Government agent himself, the Government agent may, in his discretion, postpone the issue of the policy until enquiries have been made from that insurer.

**12. Form and duration of policy.**—Every policy of insurance issued under the scheme shall be in the form set out in the second Schedule, and shall be in respect of the period ending on the last day of the quarter for which the policy is issued.

**13. Date of effect of policies.**—(1) Where the policy of insurance is in relation to goods in respect of which the person who is the owner or is deemed to be the owner thereof is compelled to take out a policy of insurance in accordance with the provisions of paragraph 4, the policy shall be issued so as to take effect from the date on which he becomes so liable, if the premium is paid in advance or within seven days of the date on which he became so liable, or from the date of payment of the premium, if the premium is paid after the expiry of seven days from the date on which he becomes so liable.

Provided that in the case of the quarter ending on the 31st March 1963, the Central Government may extend the period of seven days aforesaid to any period not exceeding thirty days.

(2) Where the policy of insurance is in relation to goods which are not compulsorily insurable, but may at the option of the person who is the owner or is deemed to be the owner thereof be insured under paragraph 5, the policy shall be issued so as to take effect from the date of commencement of the policy as stated in the application, if the premium is paid within seven days of such commencement, or from the date of payment of the premium, if the premium is paid after the expiry of seven days from the date of such commencement.

(3) For the purposes of sub-paragraph (1) any person who is the owner or is deemed to be the owner of goods which are insurable under this scheme shall be required to indicate in his application the date on which he becomes or has become so liable.

**14. Failure to pay premium and evasion.**—(1) Where any person has failed to pay the premium due from him or to insure as, or to the full amount, required by the Act and has thereby evaded the payment of any money which he would have had to pay but for such failure, the amount evaded shall be determined in accordance with the Third Schedule.

(2) Every person against whom a determination has been made in pursuance of sub-paragraph (1) may, within the period laid down in the Third Schedule, appeal to the Central Government, whose decision shall be final.

(3) Where the amount determined in accordance with the provisions of sub-paragraph (1) or sub-paragraph (2) is fully recovered, the Government agent shall, as soon as possible after such recovery, send the requisite application forms to the defaulter for completion and return, and a policy or supplementary policy of insurance, according as the recovery is in respect of non-insurance or under-insurance, shall be issued by the Government agent on the receipt of the applications correctly filled in, the said policy or supplementary policy being made out so as to take effect from the date on which the amount was fully recovered.

**15. Record of policies to be maintained at places where goods are situated.**—At every place where goods which are insurable or are insured under this scheme are stored or held, a register shall be maintained indicating the number and date of the policy issued under this scheme covering the said goods, the place at which and the office of the Government agent at which the policy was issued, the insurable value of the goods as shown in the application on the basis of which the

policy was issued or as otherwise on record with the office of the Government agent, and the period of currency of the insurance policy; and the said register shall be available for inspection by any officer authorised to obtain information or to take any other action under section 8.

**16. Loss of Policy.**—In the event of the loss of a policy, a duplicate policy shall not be issued, but if it is satisfactorily proved that a policy has been issued, the absence of that policy shall not be a bar to any claim thereunder.

**17. Overlapping policies, cancellation and refund.**—(1) Where it is established to the satisfaction of the Central Government that insurance under the scheme has been taken out separately by two or more persons in respect of the same goods, the policy taken out by any such person may, on an application made by him, and after such enquiry as the Central Government may think fit, be cancelled, and a refund of premium may be allowed to him, unless he has recovered the premium from any other person, in which case the refund may be made to that person.

(2) Notwithstanding anything contained in this scheme, where a policy has been taken out in respect of any goods insurable under this scheme and the said goods are subsequently exempted under sub-section (2) of section 3, or destroyed otherwise than by any action or measure comprised in the expression "emergency risks", the policy shall be cancelled with effect from the date on which the exemption takes effect or, as the case may be, the goods are destroyed as aforesaid, and thereupon—

(a) no further premium shall be payable under the policy; and

(b) out of the amount of the premium collected immediately before the cancellation of the policy in respect of the quarter in which the policy is cancelled, a refund shall be made in the proportion which the number of complete months for which the policy is cancelled bears to three.

**18. Share of risk to be borne by the insured person.**—(1) The insured person shall bear in respect of each claim twenty per cent of the loss or damage.

(2) If at the time of the happening of any loss or damage, the total value of the goods insured shall exceed the sum insured under the policy, the insured person shall be considered as being his own insurer for the excess as well as for twenty per cent. of the sum insured, for the purpose of his bearing a rateable proportion of the loss.

**19. Statement of Claims, verification and payment.**—(1) All claims shall be submitted in writing in the form given in the Fourth Schedule to the Government agent within the time specified in condition 7 of the conditions set forth in the Second Schedule.

(2) The loss as a result of emergency risks in the value of property insured under this scheme shall be computed on the basis of the value at the prices prevailing at the time that the policy of insurance takes or has taken effect after making due allowance for depreciation up to the time of the occurrence of the loss or damage, or on the basis of the value at the prices prevailing at the time at which the loss occurs or has occurred, whichever may be less.

(3) On receipt of the claim, the Government agent shall have the claim verified, and the loss or damage, if any, assessed by a person who is for the time being a loss assessor recognised by the Central Government in this behalf, or if the Central Government so directs, by such person or persons as may be specially deputed by it for this purpose.

(4) As soon as the loss assessor has verified the claim and assessed the loss or damage, if any, he shall make a report thereon to the Government Agent, who shall after such further verification as he thinks fit to make, forward the report, with his remarks and recommendation to the Government of India in the Ministry of Finance (Department of Economic Affairs).

(5) If the claim is proved to the satisfaction of the Central Government, a payment order in favour of the claimant will be issued by the Central Government as soon as possible through the Government agent in full settlement of the claim.

(6) No interest shall be due in respect of any payment under this scheme which remains unpaid for any reason.

(7) On receipt of the payment, the claimant shall furnish to the Government agent a receipt in the form set out in the Fifth Schedule.

**20. Policies or benefits not assignable or transferable.**—A policy issued under this scheme or a claim under any such policy shall not be assignable or transferable to any other person and no notice of any trust in respect of any such policy or claim shall be receivable by the Government agent or by the Central Government.

**21. Provision for safeguarding of property insurable under the scheme.**—(1) A policy issued under this scheme may provide for safeguarding any property insurable under this scheme against loss or damage as a result of emergency risks or for minimising any such loss or damage.

(2) Any condition imposed by the policy may require the person who is the owner or who is deemed to be the owner of the goods, to take such reasonable precautions in regard to the storage of the goods or the packing or transport thereof while they are in transit as may be necessary in order to eliminate or reduce the risk of loss or damage.

**22. Persons authorised for certain purposes of the Act.**—Any person may be authorised by the Central Government under section 11 to obtain any information and to do any other thing as provided for in the said section, and every person who is liable to take out, or who has taken out, a policy of insurance under this scheme shall at all times provide and cause to be provided all reasonable facilities to the person so authorised, for enabling him to discharge his duties in pursuance of or in relation to this scheme.

**23. Publication of accounts.**—An account of all sums received into and paid out of the Emergency Risks (Goods) Insurance Fund shall be prepared in the form set forth in the Sixth Schedule and shall be published annually.

**24. Interpretation.**—If any doubt arises in regard to the interpretation of any provisions of this scheme, the matter shall be referred to the Central Government whose decision thereon shall be final.

#### FIRST SCHEDULE

(See Paragraph 8)

#### FORM OF APPLICATION

GOVERNMENT OF INDIA

#### EMERGENCY RISKS (GOODS) INSURANCE ACT, 1962 (62 of 1962)

*Application for insurance of goods insurable under the Act.*

No.....

1. Applicant's name
2. Address
3. Business.
4. Goods to be insured.
5. Situation of goods, stating separately the insurable value of goods situated in each Presidency town or district.
6. Estimated full value (which is the sum for which insurance must be effected) Rs.
7. (a) Date on which the goods became compulsorily insurable under the Act.  
(b) Where insurance is optional, the date insurance is to commence.
8. Are the goods insured against fire, marine, accident or export credit insurance risks?  
If so, state (a) Name of insurer.  
(b) Policy No.  
(c) Sum insured Rs.
9. Has any other person any insurable interest in the goods to be insured?  
If so, give particulars.

**NOTE:**—A policy once issued cannot be assigned or transferred nor is any part of the premium returnable except as provided in section 13 or under paragraph 17 of the Emergency Risks (Goods) Insurance Scheme.

10. If you do not own the goods within the meaning of section 4, the following should be answered:—

- (i) Name and address of the owner.
- (ii) What is the nature of your interest in the goods to be insured?
- (iii) If you are in possession of the goods, in the course, and for the purpose, of your business, state the purpose for which the goods are in your possession.
- (iv) Are you aware whether the owner has also effected or applied for insurance on the goods to be insured?

11. If you have already taken out one or more policies under the scheme for this quarter, please fill up this portion of the application, otherwise cross it out.

The following are the particulars of policies already issued to me/us for the same quarter:

No./Nos.	Issued by (local office)	Date	Sum Insured
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I/We warrant that the above statements and particulars are true and I/We request you to effect Emergency Risks (Goods) Insurance on my/our behalf with the Government of India in terms of the standard policy which I/we agree to accept.

I/we hereby agree that this application shall be the basis of the contract between the President and myself/ourselves.

I/we enclose chalan dated..... for Rs..... paid into the

\*Treasury

\*Reserve Bank of India

\*State Bank of India

at.....

Signature of Applicant.  
Date.

(\*Strike out whichever is inapplicable)

#### ACKNOWLEDGEMENT

Received from.....

application number..... dated

along with Chalan dated.....

for Rs..... paid into the \*Treasury.

\*Reserve Bank of India

\*State Bank of India:

at.....

Date.....

Signature of  
authorised representative  
of Government agent.

(\*Strike out whichever is inapplicable.)

## SECOND SCHEDULE

(See Paragraph 12)

GOVERNMENT OF INDIA

EMERGENCY RISKS (GOODS) INSURANCE ACT, 1962 (62 of 1962)

Serial No. \_\_\_\_\_

Policy No. \_\_\_\_\_

Supplementary to Policy No. \_\_\_\_\_

*Policy of Insurance in respect of goods insurable under the Act:*

This Policy and the Specification hereto (which forms an integral part of this Policy) shall be read together as one contract, and the words and expressions to which specific meanings have been attached in the Specification shall bear those meanings wherever they may appear.

## THE SPECIFICATION

The President of India

The President .....

The Government agent .....

The Insured .....

Address .....

The Insured's business .....

Sum for which insured Rs.....

Period of insurance: From the .....

..... day of ..... 19

to the..... day

of..... 19 .

The Premium: Rs. ....

paid into the Treasury

Reserve Bank of India

State Bank of India.

at ..... on the .....

day of..... 19 .

Whereas the Insured has made and forwarded to the Government Agent a signed application for insurance which application he has agreed shall be the basis of this Policy and has paid the amount of premium named above:

Now this Policy witnesseth that in consideration of the Insured paying to the President the said premium, the President agrees (subject to the conditions contained herein, which conditions shall, so far as the nature of them respectively will permit, be deemed to be conditions precedent to the right of the Insured to recover hereunder) that if during the period of insurance stated above the goods insured or any part of such goods shall suffer any loss or damage, being loss or damage caused by any act comprised in the expression "emergency risks" as defined for the time being in the Emergency Risks (Goods) Insurance Act, 1962 (62 of 1962), hereinafter referred to as "the Act", the President will where the loss or damage is suffered whilst the goods affected are situated in India, or are in transit from one place in India to another place in India, indemnify the Insured against diminution in value caused by that loss or damage to the extent provided by or under the Act.

In witness whereof I, being duly authorised in that behalf, have hereto set my hand for and on behalf of the President.

Dated:

the ..... 19 .



It is hereby agreed and declared that ..... shall, to the extent of their interest in the goods insured, be entitled jointly with the Insured to the rights hereby granted to the Insured, but not so as to grant to them any further or greater rights than those of the Insured under this Policy.

Signed for and on behalf of the President this ..... day of ..... 19 ..

No.—This policy cannot be assigned or transferred and no premium is returnable except as provided under section 13 of the Act or under paragraph 17 of the Emergency Risks (Goods) Insurance Scheme.

### CONDITIONS

The President shall be under no liability under any policy of insurance to which these conditions apply (hereinafter referred to as "the policy") if and in so far as the Insured is not entitled to be insured for the sum thereby insured in respect of the goods insured under the Act.

2. The liability of the President under the policy shall not exceed in the aggregate eighty per cent of the sum thereby insured, and after the happening of any loss or damage, the sum insured by the policy shall be deemed to be reduced by the amount of that loss or damage, and thereupon the liability of the President shall be limited to eighty per cent of such reduced sum.

3. The Insured shall bear, in respect of each claim, twenty per cent of the loss or damage.

4. If at the time of the happening of any loss or damage the total value of the goods insured shall exceed the sum insured under the policy, the Insured shall be considered as being his own insurer for the excess as well as for twenty per cent of the sum insured, for the purpose of his bearing a rateable proportion of the loss.

5. If at the time of the happening of any loss or damage there be any other insurance effected by or on behalf of the Insured covering any of the goods suffering that loss or damage against emergency risks, the liability of the President under the policy shall be limited to eighty per cent of its rateable proportion of such loss or damage.

6. The Insured shall at the request and expense of the President do and concur in doing and permit to be done all such acts and things as may be reasonably required by the President for the purpose of enforcing any rights and remedies to which the President is or would become entitled or subrogated upon paying for or making good any damage, whether such acts and things shall be required before or after that indemnification by the President.

7. On the happening of any loss or damage, the Insured shall forthwith give notice thereof in writing to the Government agent, and shall within ten days after such loss or damage, or such further time as the Government agent may in writing allow, at his own expense deliver to the Government agent a claim in writing containing as particular an account as may be reasonably practicable of the several articles or portions of goods suffering that loss or damage and of the amount of such loss or damage, having regard to their value at the time of the loss or damage, together with details of the interest of any person other than the Insured in the goods insured and details of any other insurances on the goods insured. The Insured shall also give to the Government agent all such proofs and information with respect to the claim as may reasonably be required, together with (if demanded) a declaration verified by an affidavit, of the truth of the claim and of any matters connected therewith. No claim under the policy shall be payable, unless the terms of this condition have been complied with.

8. If the claim be in any respect fraudulent, or if any fraudulent means or devices be used by the Insured or anyone acting on his behalf to obtain any benefit under this policy, or if any loss or damage be occasioned by the wilful act or with the connivance of the Insured, all benefits under the policy shall be forfeited:

Provided that the benefits under the policy shall not be forfeited even though the loss or damage is occasioned by the wilful act and with the connivance of the Insured, where the wilful act is done under orders of proper authority or where the Insured permits certain measures to be taken under orders of proper authority,

and if any question arises as to whether any act of the kind mentioned above has been taken under proper authority, the Central Government shall decide the matter and such decision shall be final and fully binding on the Insured.

9. On the happening of any loss or damage, in respect of which a claim is or may be made under the policy, the Government agent and every person authorised by the Government agent may, without thereby incurring any liability, and without diminishing the right of the President to rely upon any conditions of the policy, enter, take or keep possession of the building or premises where the loss or damage has happened, and may take possession or require to be delivered to them any of the goods insured, and may keep possession of and deal with such goods for all reasonable purposes and in any reasonable manner. This condition shall be evidence of the leave and licence of the insured to the President so to do. If the Insured or any one acting on his behalf shall not comply with the requirements of the President, or shall hinder or obstruct the President or any person acting on his behalf in doing any of the above mentioned acts, then all benefits under this policy shall be forfeited. The Insured shall not in any case be entitled to abandon any property to the President whether taken possession of by the President or not.

10. No refund of premium shall be allowed in respect of the policy, except as provided by or under the Emergency Risks (Goods) Insurance Act, 1962 (62 of 1962).

11. The policy shall not be assignable or transferable.

12. The Insured shall at all times take due precautions for the safety of the goods insured having regard to the nature thereof, and in particular, if at any time any goods insured sustain damage due to emergency risks, the Insured shall take all reasonable steps to preserve the goods insured from damage or further damage, as the case may be.

13. If in his application for the insurance effected by the policy, the Insured shall have intentionally made a material misstatement as to the value of the goods insured, all benefits under the policy shall be forfeited.

14. If the Insured shall fail to comply with any instruction made or issued under the authority of the Central Government for safeguarding the goods against loss or damage from emergency risks, all benefits under the policy shall be forfeited.

15. The following condition may be included in the policy at the request of the insured:—

“It is hereby agreed and declared that ..... shall, to the extent of their interest in the goods insured, be entitled jointly with the Insured to the rights hereby granted to the Insured, but not so as to grant to them any further or greater rights than those of the Insured under this Policy”.

### THIRD SCHEDULE

[See Paragraph 14]

Where any officer authorised in this behalf by the Central Government has reason to believe that any person who is the owner or is deemed to be the owner of any goods insurable under the Act situated within the area over which he is authorised to act has failed to insure as, or to the full amount, required by the Act or the scheme or having applied for a policy of insurance under the Act or the scheme has failed to pay any premium payable under the Act within seven days of the date of commencement of the policy as stated in the application, and has thereby evaded payment by way of premium of any money which he would had to pay but for such failure, the officer may serve on such person a notice requiring him (i) to show cause on a date and at the time and place specified in this behalf why he failed to insure the goods as, or to the full amount, required by the Act, and further (ii) to produce before the officer on such date any document or other evidence in support of his case.

2. Upon cause being shown and after giving the defaulter an opportunity of being heard in support of the cause, the officer shall assess the insurable value of the goods and shall, determine on the basis of such assessment the amount of premium, if any, payment of which has been evaded by the defaulter. In doing

so, the officer shall take into consideration such information as he may have received in accordance with Section 11 after giving the defaulter an opportunity to explain the same.

3. If a person who is owner or is deemed to be the owner of any goods fails to show cause against a notice issued under paragraph 1 of this Schedule, the officer shall assess the insurable value of the goods on the strength of such materials as may be available to him and shall determine on the basis of such assessment the amount of premium payment of which has been evaded by the defaulter.

4. When any sum has been determined in accordance with paragraph 2 or paragraph 3 of this Schedule the officer shall send to the defaulter a copy of his recorded assessment and determination, duly certified by him, and serve on him a notice of demand specifying (i) the amount payable by him, (ii) the date within which it shall be paid and (iii) the Treasury into which it shall be paid.

5. Any person against whom an assessment and a determination have been made in accordance with paragraph 2 or paragraph 3 of this Schedule may appeal to the Government of India in the Ministry of Finance, Department of Economic Affairs within thirty days of the date of receipt of the notice of demand.

6. Where an assessment and determination have been made against more persons than one in respect of the same goods every person preferring an appeal shall do so separately and in his own name.

7. An appeal under paragraphs 5 or 6 above shall contain all material statements and arguments relied on by the appellant, shall be accompanied by a copy of the notice of demand served upon the appellant, and shall be preferred through the authority against whose order the appeal is preferred.

8. The appellate authority shall consider

- (a) whether the facts on which the notice of demand was based have been established, and
- (b) whether the sum determined as payable is excessive, adequate or inadequate,

and after such consideration shall pass such order as it thinks proper. But no order enhancing the amount determined as payable by the appellant shall be passed without communicating to him the grounds on which such order is proposed to be passed and giving him an opportunity to show cause against the same.

9. The appellant shall have no right to appear in person or to be represented before the appellate authority.

#### FOURTH SCHEDULE.

[See Paragraph 19]

#### GOVERNMENT OF INDIA

#### EMERGENCY RISKS (GOODS) INSURANCE ACT, 1962 (62 of 1962) STATEMENT OF CLAIMS UNDER THE ACT.

Through .....

Government Agent,

at .....

I/We ..... of (address) ..... do hereby solemnly declare that on or about ..... O' clock A.M./P.M. Indian Standard Time on the ..... day of ..... 19, goods which were insured under the policy or policies detailed in Schedule A annexed hereto, were destroyed or damaged by an act comprised in the expression "emergency risks" as defined by the Emergency Risks (Goods) Insurance Act, 1962, (62 of 1962). The actual details of the act (manner in which the damage occurred) are given below:—

.....  
.....

I/We further solemnly declare that at the time of the said loss or damage the actual value of all goods as described in the said policy or policies amounted to Rs. .... as more particularly set forth in the annexed Schedule B, and that apart from myself/ourselves no person other than..... has any interest in the said goods.

I/We therefore claim from the Government of India the sum of Rs. .... as detailed in Schedule C annexed hereto and I/We solemnly declare that this Statement of Claims is a true and accurate statement of the loss sustained by me/us, without inclusion of profit of any kind.

Declared before me

Signed .....

this ..... day of ..... 19 ..

and identified by ..... who is personally known .....  
to me .....

Court Seal.

Magistrate.

#### SCHEDULE A

##### *Statement of Policies in force on the date of loss or damage*

(1)	(2)	(3)	(4)
Policy Number	Date of Issue	Sum Insured	The insured goods as described in Policy

#### SCHEDULE B

##### *Statement of all goods insured under the Act*

(1)	(2)	(3)
Description of goods	Sound value of goods	Location of

#### SCHEDULE C

##### *Statement of Loss or damage*

(1)	(2)	(3)	(4)	(5)	(6)
Description of goods damaged or destroyed.	Quantity	Sound value	Value of Salvage.	Actual Loss	Amount to be paid by the Central Government.

## ASSESSOR'S CERTIFICATE.

I/We ..... being Assessor/s duly appointed under paragraph 19(3) of the Emergency Risks (Goods) Insurance Scheme certify that from a careful examination carried out by me/us of the scene of the loss or damage and from the production of books, documents, invoices and other evidence have satisfied myself/ourselves that the goods claimed were fully insured at the time of the loss or damage, and that the statement of claims detailed herein, (\*and in our report attached) is a true and proper statement of the actual loss sustained by the Insured as the direct result of emergency risks only.

Time taken on assessment .....

Fee Rs. ....

Signature of Loss Assessor .....

Address .....

Date .....

## RECOMMENDATION OF GOVERNMENT AGENT.

We certify that the claim detailed in this Statement of Claims was received by us in accordance with condition 7 of the Insurance Policy, that the Statement of insurances in force contained in Schedule A is a correct statement, that we have investigated the claimant's title, and we recommend that (i) (\*except as stated in the attached report) the sum of Rupees ..... be paid in full and final settlement of the loss, (ii) ..... and (iii) the sum of Rupees ..... be paid to the Assessor in respect of his fee and expenses.

Signature of Government Agent .....

Date .....

## GOVERNMENT ORDERS FOR DISPOSAL.

## FIFTH SCHEDULE

(See Paragraph 19)

## GOVERNMENT OF INDIA

## EMERGENCY RISKS (GOODS) INSURANCE ACT, 1962 (62 of 1962)

## Receipt of Claims

Loss No. ....

Received this..... day of..... 19 , from the Government of India the sum of Rupees..... in full discharge of all claims upon them under the Policy/Policies No./Nos..... issued under the Emergency Risks (Goods) Insurance Act, 1962 (62 of 1962), for loss or damage, arising from Emergency Risks as defined in the said Act, which occurred on the..... day of..... 19 , in consequence of which the amount insured by this Policy is reduced to the extent of Rs.....

Signature of Claimant

Stamp

## SIXTH SCHEDULE

(See Paragraph 23)

Account of sums received into and paid out of the Emergency Risks (Goods) Insurance Fund during the year ending.....19 ..

Receipts.		Expenditure.	
Amount	Progress of receipts upto the end of	Amount	Progress of expenditure upto the end of
Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.
1. Insurance Premium. .		1. Remuneration and expenses of Government Agent, and cost of forms.	
2. Advances from the Consolidated Fund of India under section 10 (3).		2. Payments of liabilities under the Emergency Risks (Goods) Insurance Scheme and remunerations & expenses of Loss Assessors appointed under the Scheme.	
		3. Refunds of premium under section 13 or under paragraph 17 of the Scheme.	
		4. Repayments of advances made under section 10 (3).	
		5. Other Miscellaneous expenditure (showing details if necessary).	
3. Miscellaneous. .		6. Sums disposed of in accordance with section 10 (4).	
TOTAL		TOTAL	

**EMERGENCY RISKS (FATORIES) INSURANCE SCHEME**

**S.O. 3946.**—In exercise of the powers conferred by sub-section (1) of section 3 of the Emergency Risks (Factories) Insurance Act, 1962 (63 of 1962) the Central Government hereby puts into operation the following scheme.

**1. Short title, extent and commencement.**—(1) This scheme may be called the Emergency Risks (Factories) Insurance Scheme.

(2) It extends to the whole of India.

(3) It shall come into force on the first day of January 1963.

**2. Definitions.**—In this scheme, unless the context otherwise requires:—

(i) "the Act" means the Emergency Risks (Factories) Insurance Act, 1962 (63 of 1962);

(ii) "Government agent" means any person employed under section 4 to act as the agent of the Central Government for any of the purposes of the Act;

(iii) "paragraph" means a paragraph of this scheme;

(iv) "policy" means a policy of insurance issued under this scheme, and includes any supplementary policy;

(v) "section" means a section of the Act;

(vi) words and expressions not defined herein have the meanings assigned to them in the Act.

**3. Scope and extent of the scheme.**—(1) The Central Government hereby undertakes in relation to factories the liability of insuring such factories against emergency risks to the extent provided by the Act.

(2) The Central Government also hereby undertakes in relation to any person in India the liability of insuring such person against emergency risks in respect of any property insurable under the Act which is not owned by him but in which he has an interest, up to the extent of such interest.

**4. Insurance of completed factories.**—(1) Every owner of a factory in existence at the commencement of this scheme shall, within the period specified in the notification made under sub-section (1) of section 5, take out a policy of insurance against emergency risks in accordance with this Scheme.

(2) Subject to the provisions of paragraph 5, every owner of premises becoming a factory or property becoming property insurable under the Act after the date specified in the notification referred to in sub-paragraph (1) shall, before the commencement of the quarter next following that in which the premises become a factory or the property becomes insurable under the Act, take out a policy of insurance against emergency risks in accordance with this scheme.

(3) Every owner of a factory who is required by the Central Government to reconstruct the factory which has suffered damage shall, before the commencement of the quarter next following that in which the reconstruction of the factory is completed, take out a policy of insurance against emergency risks in accordance with this scheme.

(4) Where the owner of the factory is not the occupier thereof, the occupier of the factory shall, unless the owner has already taken out a policy of insurance, himself take out the policy and when such a policy is taken out, the occupier shall be deemed to act as the agent of the owner and shall be entitled to receive from the owner all sums paid by him as premiums on the policy.

**5. Works in course of construction.**—(1) This scheme shall also extend to the undertaking by the Central Government in relation to works in the course of construction which, when completed, will become factories and in relation to plant and machinery appertaining to such works, the same liabilities as are undertaken by this scheme in relation to factories, to the extent such plant or machinery is not for the time being covered against emergency risks by any other policy of insurance and also to the extent such plant or machinery is not insurable for the time being under the Emergency Risks (Goods) Insurance Act, 1962 (62 of 1962).

(2) A policy may be taken out optionally at the instance of the owner or the intending occupier in relation to the works and plant and machinery referred to in sub-paragraph (1). When any such option is exercised, an application for the policy shall be made within one month from the date of commencement of this scheme, or one month from the commencement of the works, whichever is later. An option once exercised shall be final, and where a policy of insurance has been taken out under this provision, it shall also be compulsory for the owner to take out policies of insurance in subsequent quarters until such time as the completed factory becomes compulsorily insurable under the provisions of paragraph 4.

**6. Method of application—**(1) Every application for insurance under the scheme shall be in accordance with the form set out in Part A or Part B of the First Schedule according as the application is for an original or a supplementary policy and shall be made to the Government agent or to such officer of the Government agent as may be authorised by that agent in this behalf.

(2) Every such application shall be accompanied by a treasury chalan evidencing payment of the requisite premium into a Government treasury under the head LXIA—Receipts connected with the National Emergency, 1962—Central—Insurance premiums under the Emergency Risks (Factories) Insurance Scheme.

(3) If there is any change in the ownership or occupation of a factory during the currency of a policy of insurance notice thereof shall be given to the Government agent in the form set out in the Seventh Schedule.

**7. Mode of Valuation of insurable properties.**—For the purpose of insurance under the Act, the insurable value of property shall be ascertained in accordance with the following principles:—

(a) The insurable value shall be the actual value in the case of completed works, and the estimated value of the works which are in the course of construction, or additions to property which are anticipated or expected to be completed, in both cases at the prices prevailing on the relevant dates after making due allowance for any depreciation.

(b) All plant and machinery which is part of the property to be insured under the scheme shall be valued as part of a going concern and not as scrap.

(c) The relevant dates referred to in clause (a) shall be—

(i) in relation to completed works, the date from which the policy is to take effect, and

(ii) in relation to works which are in the course of construction or additions to property which are anticipated or expected to be made, the last day of the quarter in which the application for insurance is made.

**8. Rate of premium.**—(1) The premium payable under any policy of insurance issued in respect of the quarter ending on the thirty-first March, 1963, shall be payable at the rate of twenty-five naye paise for every hundred rupees or any part thereof of the sum insured.

(2) The amount of the premium payable under sub-paragraph (1) shall be rounded off to the nearest rupee and shall be payable in one lump sum in respect of the entire quarter for which the policy is or is continued in force, provided that if any factory becomes insurable under the scheme after the commencement of a quarter, the amount of the premium shall be payable in one lump sum, which shall be equivalent to the amount payable in respect of factories insurable during that entire quarter reduced by an amount which bears to the first mentioned amount the same proportion which the number of completed months in that quarter before the factory becomes insurable bears to three, the actual amount due in accordance with this provision being rounded off to the nearest rupee.

**9. Issue of policy and verification of previous policies.**—(1) If the application has been correctly made out in the prescribed form and is accompanied by a treasury chalan evidencing payment of the premium into a treasury under the head of account specified in sub-paragraph (2) of paragraph 6, the Government agent shall issue a policy of insurance as soon as possible after the receipt of the application.

(2) If no chalan accompanies an application, or if the chalan is not in order the application shall be returned to the applicant for re-submission along with the required chalan.



(3) If the chalan accompanying an application is in order but the application for insurance is not received in accordance with the form set out in the First Schedule, the chalan may be retained by the Government agent and the application returned to the applicant for re-submission after being correctly made out.

(4) If the chalan accompanying an application form is for an amount which falls short of the premium due on the insurable value of the property, a policy for such proportion of the insurable value as the amount paid under the chalan bears to the premium due shall be issued and the applicant shall be asked to make a further application in respect of the balance of the insurable value of property which may remain uncovered.

(5) Notwithstanding anything contained in the provisions of the foregoing sub-paragraph, if an application shows that the applicant has taken out a policy of insurance in respect of the same property or any part thereof against fire, accident or marine risks, issued by any insurer, the Government agent may, in his discretion postpone the issue of a policy under this scheme until enquiries have been made from that insurer.

**10. Form and duration of policy.**—Every policy of insurance issued under the scheme shall be in the form set out in the Second Schedule, and shall be in respect of the period ending on the last day of the quarter for which the policy is issued.

**11. Each factory to be covered by one policy.**—(1) Every policy shall be in respect of property insurable under the Act appertaining to a single factory, provided however that when any plant, machinery or materials appertain to more factories than one, such plant, machinery or materials may be insured separately under a single policy issued in relation to the owner or occupier of any one of those factories.

(2) If during the currency of a policy, any additions are made to the property insurable under the Act appertaining to the factory, a supplementary policy shall be taken out in respect of such additions.

**12. Date of effect of policies.**—(1) Where the policy of insurance is in respect of a completed or normally working factory, the owner or occupier of which is required to take out a policy of insurance in accordance with the provisions of paragraph 4, the policy shall be issued so as to take effect from the date on which he becomes so liable, if the premium is paid in advance or within seven days of the date on which he becomes so liable and from the date of payment of the premium if the premium is paid after the expiry of seven days from the date on which he becomes so liable.

Provided that in the case of the quarter ending on the 31st March, 1963, the Central Government may extend the period of seven days aforesaid to any period not exceeding thirty days.

(2) Where the policy of insurance is in respect of works in the course of construction which, when completed, will become factories and plant and machinery appertaining to such works which are not compulsorily insurable but may at the option of the owner or intending occupier be insured under paragraph 5, the policy shall be issued so as to take effect from the date of commencement of the policy as stated in the application, if the premium is paid in advance or within seven days of such commencement and from the date of payment of the premium if the premium is paid after the expiry of seven days from the date of such commencement.

(3) For the purposes of sub-paragraph (1), the owner or occupier of a factory which is in existence at the date of commencement of this scheme shall be deemed to have become liable to take out a compulsory policy of insurance at the date of such commencement, and the owner or occupier of a factory which comes into existence after the date of such commencement shall be required to indicate in his application the date on which he becomes or has become so liable.

**13. Failure to pay premium and evasion.**—(1) Where any person has failed to pay any premium due from him or to insure as, or to the full amount, required by the Act and has thereby evaded the payment by way of premium of any money which he would have had to pay but for such failure, the amount evaded shall be determined in accordance with the Third Schedule.

(2) Every person against whom a determination has been made in pursuance of sub-paragraph (1) may, within the period laid down in the Third Schedule appeal to the Central Government whose decision shall be final.

(3) Where the amount determined under the provisions of sub-paragraph (1) or sub-paragraph (2) is fully recovered, the Government agent shall, as soon as possible after such recovery, send the requisite application forms to the defaulter for completion and return, and a policy or supplementary policy in respect of the property concerned according as the recovery is in respect of non-insurance or under-insurance shall be issued by the Government agent on receipt of the application correctly filled in the said policy being made out so as to take effect from the date the amount was fully recovered.

**14. Loss of policy.**—In the event of the loss of a policy, a duplicate policy shall not be issued, but if it is satisfactorily proved that a policy has been issued, the absence of that policy shall not be a bar to any claim thereunder.

**15. Overlapping policies, cancellation and refund.**—(1) Where it is established to the satisfaction of the Central Government that insurance under the scheme has been taken out separately by the owner and the occupier of a factory in respect of the same property, the policy taken out by either of them may be cancelled on their joint application and a refund of premium allowed in accordance with such joint application.

(2) Notwithstanding anything contained in this scheme, where a policy has been taken out in respect of any property insurable under the Act appertaining to a factory or other premises and that factory or premises is subsequently exempted under section 15 or is destroyed otherwise than by any action or measure comprised in the expression "emergency risks", the policy shall be cancelled with effect from the date on which the exemption takes effect or, as the case may be, the factory or premises are destroyed as aforesaid, and thereupon out of the amount of the premium collected immediately before the cancellation of the policy, in respect of the quarter in which the policy is cancelled a refund shall be made in the proportion which the number of complete months for which the policy is cancelled bears to three.

**16. Share of risk to be borne by the insured person.**—(1) The insured person shall bear in respect of each claim twenty per cent of the loss or damage.

(2) If the total value of the property insured shall exceed the sum insured under the policy, the insured person shall be considered as being his own insurer for the excess as well as for twenty per cent of the sum insured, for the purpose of his bearing a rateable proportion of the loss.

**17. Mode of settlement of claims.**—(1) Payment of compensation under the scheme shall be made, at the option of the Central Government, within the limits of the liability assumed by it, in any of the following forms, namely—

- (a) in a case where the Government exercises the option to pay the cost of restoring the property lost or damaged as far as practicable to the condition in which it existed before the occurrence of such loss or damage, on such restoration, in such manner and by such instalments as the Central Government may think fit; or
- (b) in a case where the Central Government decides to make the payment in instalments during the progress of the works relating to the restoration of the property lost or damaged, in instalments as determined by that Government and at the expiration, in the case of each instalment, of such period, after the restoration of the relevant parts, as may be required to ascertain the fact of restoration and the proper cost thereof; or
- (c) compensation for the loss in value, ascertained on the values and prices prevailing at the time at which the policy of insurance took effect, or at which the loss occurred, whichever is less, suffered by the property as a result of the damage, after making due allowance for depreciation upto the time of the occurrence of the loss or damage, in such instalments, if any, as the Central Government may think fit.

(2) Any payment under sub-paragraph (1) may be postponed to a date later than one year from the date on which the Act ceases to be in force but in the event of any such postponement, simple interest at the rate of two per cent per annum from the expiry of the said one year shall be paid on the portion of claim admitted by the Central Government and remaining unpaid, until such time as the claim is discharged in full.

**18. Statement of Claims, verification and payment.**—(1) All claims shall be submitted in writing in the form given in the Fourth Schedule to the Government agent within the time specified in condition 7 of the conditions set forth in the Second Schedule.

(2) On receipt of a claim, the Government agent shall have the claim verified, and the loss or damage, if any, assessed by a person who is for the time being a loss assessor recognised by the Central Government in this behalf, or if the Central Government so directs, by such person or persons as may be specially deputed by it for this purpose.

(3) As soon as the loss assessor has verified the claim and assessed the loss or damage, if any, he shall make a report thereon to the Government agent, who shall after such further verification as he thinks fit to make, forward the report, with his remarks and recommendation to the Government of India in the Ministry of Finance (Department of Economic Affairs).

(4) On receipt of any payment under this scheme, the claimant shall give a receipt in the form set out in the Fifth Schedule.

**19. Provision for safeguarding of property insurable under the scheme.**—The Central Government may make regulations for safeguarding any property insurable under this scheme against loss or damage as a result of emergency risks or for minimising any such loss or damage and may without prejudice to the said regulations issue any general or special order, to all factories generally or to any particular factory as it may think fit for the purposes aforesaid.

(2) Any order issued under sub-paragraph (1) may require the owner or occupier of a factory in respect of which any payment towards the restoration of property has been made under this scheme to reconstruct the factory or to alter the premises thereof in such manner as to avoid or minimise the consequences of any future emergency risks or to provide for such safety or precautionary measures as may reasonably be necessary, or if it is considered expedient or necessary so to do, to remove the factory or the premises, as the case may be, to any other site.

(3) Every owner or occupier shall comply with the requirements of any regulations or orders made in this behalf.

(4) Where the Central Government requires the owner or occupier of the factory to remove the factory or the premises to any other site as provided for in sub-paragraph (2), the Central Government shall pay to such owner or occupier the cost of removal of the factory or the premises and the cost of replacement of any property for which compensation may not be otherwise payable but which may be lost or damaged as a result of such removal, on the receipt of a claim from the owner or occupier, and the procedure prescribed in paragraph 18 shall be followed, as far as practicable in relation to the verification and payment of any such claim.

**20. Persons authorised for certain purposes of the Act.**—The Central Government may authorise any person under section 8 of the Act to obtain any information and to do any other thing as provided for in the said section, and every person who is liable to take out, or who has taken out, a policy of insurance under this scheme shall at all times provide and cause to be provided all reasonable facilities to the person so authorised, for enabling him to discharge his duties in pursuance of or in relation to this scheme.

**21. Publication of accounts.**—An account of all sums received into and paid out of the Emergency Risks (Factories) Insurance Fund shall be prepared in the form set forth in the Sixth Schedule and shall be published annually.

**22. Interpretation.**—If any doubt arises in regard to the interpretation of any provisions of this scheme, the matter shall be referred to the Central Government whose decision thereon shall be final.

## THE FIRST SCHEDULE

(See Paragraph 6)

## PART A.

## FORM OF APPLICATION

## GOVERNMENT OF INDIA

## EMERGENCY RISKS (FACTORIES) INSURANCE ACT, 1962 (63 of 1962)

*Application for insurance of property insurable under the Act.*

No:.....

1. Applicant's Name:
2. Address:
3. Business:
4. Description and Situation of the premises:
5. Are the premises a factory as defined in Section 2(m) of the Factories Act, 1948?
6. If not, and if they are in course of construction, will they be so when completed?
7. Date on which property to be insured became insurable:
8. What is the nature of your interest in the property to be insured?
9. If you are the occupier of the factory within the meaning of section 2(n) of the Factories Act 1948 but do not own the property, the following should be answered:—
  - (i) Name and address of owner:
  - (ii) Have you been requested by the owner to effect this insurance on his behalf?
  - (iii) If not, are you aware whether the owner is also applying for insurance?
10. Description of property to be insured:
11. Are the Buildings, Plant, Machinery and Materials of the property to be insured, insured against Fire, Accident or Marine Risks?
12. If so, state (a) Name of insurer.
  - (b) Total sum insured on
 

(i) the Buildings Rs.	Total	Rs.
(ii) the Plant, Machinery & Materials Rs.		
13. Insurable value, that is to say, the value after making allowance for depreciation on the date of this application, of:—
 

(a) the Buildings Rs.	Total	Rs.
(b) the Plant, Machinery & Materials. Rs.		
14. In the case of works in course of construction what is the estimated value on the last day of the Quarter in which the insurance is effected, of:—
 

(a) the Buildings Rs.	Total	Rs.
(b) the Plant, Machinery & Materials. Rs.		

NOTE.—Separate amounts must be declared as between (a) and (b) in answer to questions 13 and 14 but separate amounts need not be declared against each block. In the event of a claim, however, the claimant may be called upon to show in detail how the valuation has been made up.

15. (i) Has any other person any insurable interest in the property to be insured?

(ii) If so, give particulars:

16. Date from which insurance is to commence.

I/We warrant that the above statement and particulars are true and I/we request you to effect Emergency Risks (Factories) Insurance on my/our behalf with the Government of India in terms of the standard policy which I/we agree to accept.

I/We further agree that this application shall be the basis of the contract between the President and myself/ourselves.

I/We enclose chalan dated ..... for Rs..... paid into

\*The Treasury

\*Reserve Bank of India

\*State Bank of India

at.....

Signature of applicant

Date.....

(\*Strike out whichever is inapplicable)

#### ACKNOWLEDGEMENT

EMERGENCY RISKS (FACTORIES) INSURANCE ACT, 1962 (63 OF 1962)

Received from..... application number..... dated along with chalan dated ..... for Rs. .... paid into

\*The Treasury

\*Reserve Bank of India

\*State Bank of India

at.....

Date .....

Signature of authorised  
representative of Government  
Agent.

(\*Strike out whichever is inapplicable)

#### PART B

#### FORM OF APPLICATION FOR A SUPPLEMENTARY POLICY

GOVERNMENT OF INDIA

EMERGENCY RISKS (FACTORIES) INSURANCE ACT, 1962 (63 OF 1962)

*Application for supplementary insurance*

No:.....

1. Applicant's Name:

2. Address:

3. Business:

4. Description and Situation of the premises:

5. Numbers of the previous policies (original and supplementary) under the Emergency Risks (Factories) Insurance Act, 1962 (63 of 1962):

6. Amounts insured by the previous policies on

(a) the Buildings Rs.

(b) the Plant, Machinery and Materials Rs

Total

Rs.

7. Description of the property to be insured:

8. Additional amounts for which insurance is now to be effected on:

- (a) the Buildings Rs.  
(b) the Plant, Machinery and Materials Rs.

Total Rs.

9. Reasons for making this application:

10. (i) Has any other person any insurable interest in the property to be insured?

(ii) If so, give particulars:

11. Date from which insurance is to commence.

I/We warrant that the above statement and particulars are true and I/we request you to effect Emergency Risks (Factories) Insurance on my/our behalf with the Government of India in terms of the standard policy which I/we agree to accept.

I/We further agree that this application shall be the basis of the contract between the President and myself/ourselves.

I/We enclose chalan dated..... for Rs..... paid into  
\*State Bank of India  
\*The Treasury  
\*Reserve Bank of India  
at.....

Date .....

Signature of applicant.

(\*Strike out whichever is inapplicable)

**ACKNOWLEDGEMENT**  
**EMERGENCY RISKS (FACTORIES) INSURANCE ACT, 1962 (63 OF 1962)**

Received from..... application number..... dated .....  
along with chalan dated..... for Rs. .... paid into \*The Treasury  
\*Reserve Bank of India  
\*State Bank of India

at.....

Date.....

Signature of authorised  
representative of Govern-  
ment Agent.

(\*Strike out whichever is inapplicable)

**SECOND SCHEDULE**

(See Paragraph 13)

**GOVERNMENT OF INDIA**

**EMERGENCY RISKS (FACTORIES) INSURANCE ACT, 1962 (63 OF 1962)**

Policy No.....  
Supplementary to  
Policy No.....

*Policy of Insurance in respect of properties insurable under the Act.*

This Policy and the Specification hereto (which forms an integral part of this Policy) shall be read together as one contract, and the words and expressions to which specific meanings have been attached in the Specification shall bear those meanings wherever they may appear.

## THE SPECIFICATION

The President.

The President of India.

The Government Agent .....

The Insured.....

Address.....

The Insured's business.....

The Property insured.....

Description and Situation of Property Insured.....

Sum for which insured :

(a) Buildings Rs.

(b) Plant, Machinery &amp; Materials. Rs. ....

Total Rs.....

Period of Insurance:

From the.....day of..... 19 .

to the ..... day of ..... 19 .

Premium Rs.....

the TreasuryPaid into Reserve Bank of India on the ..... day of ..... 19 at.....  
State Bank of India

Whereas the Insured has made and forwarded to the Government Agent a signed application for insurance, which application he has agreed shall be the basis of this Policy, and has paid the amount of premium named above.

Now this Policy witnesseth that in consideration of the Insured paying to the President the said premium, the President agrees (subject to the conditions contained herein, which conditions shall, so far as the nature of them respectively will permit, be deemed to be conditions precedent to the right of the Insured to recover hereunder) that if during the period of insurance stated above the property insured or any part of such property shall suffer any loss or damage, being loss or damage, caused by any act comprised in the expression "Emergency Risks" as defined for the time being in the Emergency Risks (Factories) Insurance Act, 1962 (63 of 1962) hereinafter referred to as "the Act" the President will indemnify the Insured against diminution in value caused by that loss or damage to the extent provided by or under the Act.

In witness whereof, I, being duly authorised in that behalf have hereto set my hand for and on behalf of the President.

Signed for and on behalf of the President.....  
this.....day of.....19 .

## CONDITIONS

1 The President shall be under no liability under any policy of insurance to which these conditions apply (hereinafter referred to as "the policy") if and in so far as the Insured is not entitled to be insured for the sum thereby insured in respect of the property insured under the Act.

2. The liability of the President under the policy shall not exceed the aggregate eighty per cent. of the sum thereby insured, and after the happening of any loss or damage the sum insured by the policy shall be deemed to be reduced by the amount of that loss or damage, and thereupon the liability of the President shall be limited to eighty per cent. of the reduced sum.

3. The Insured shall bear, in respect of each claim, twenty per cent. of the loss or damage.

4. If at the time of the happening of any loss or damage the sum insured by this policy shall be less than (a) the total value of the property at the time of the loss or damage or (b) the total value of the property on the date of commencement of insurance whichever is less the insured shall be considered as being his own insurer for the excess as well as for twenty per cent. of the sum insured for the purpose of his bearing a rateable proportion of the loss.

5. If at the time of the happening of any loss or damage there be any other insurance effected by or on behalf of the Insured covering any of the property suffering that loss or damage against emergency risks, the liability of the President under the policy shall be limited to eighty per cent. of its rateable proportion of such loss or damage.

6. The Insured shall at the request and expense of the President do and concur in doing and permit to be done all such acts and things as may be reasonably required by the President for the purpose of enforcing any rights and remedies to which the President is or would become entitled or subrogated upon paying for or making good any damage, whether such acts and things shall be required before or after that indemnification by the President.

7. On the happening of any loss or damage the Insured shall forthwith give notice thereof in writing to the Government agent, and shall within fifteen days after such loss or damage, or such further time as the Government agent may in writing allow, at his own expense deliver to the Government agent a claim in writing containing as particular an account as may be reasonably practicable of the several articles or portions of property suffering that loss or damage and of the amount of such loss or damage having regard to their value on the basis of the values and prices prevailing on the date of commencement of the insurance or on the date on which the damage or loss occurred whichever is less together with details of the interest of any person other than the Insured in the property insured and details of any other insurances on the property insured. The Insured shall also give to the Government agent all such proofs and information with respect to the claim as may reasonably be required, together with (if demanded) a declaration verified by an affidavit, of the truth of the claim and of any matters connected therewith. No claim under the policy shall be payable, unless the terms of this condition have been complied with.

8. If the claim be in any respect fraudulent, or if any fraudulent means or devices be used by the Insured or anyone acting on his behalf to obtain any benefit under this policy, or if any loss or damage be occasioned by the wilful act or with the connivance of the Insured, all benefits under the policy shall be forfeited.

Provided that the benefits under the policy shall not be forfeited even though the loss or damage is occasioned by the wilful act and with the connivance of the Insured, when the wilful act is done under orders of proper authority, or where the Insured permits certain measures to be taken under orders of proper authority, and if any question arises as to whether any act of the kind mentioned above has been taken under proper authority, the Central Government shall decide the matter and such decision shall be final and fully binding on the Insured.

9. On the happening of any loss or damage, in respect of which a claim is or may be made under the policy, the Government agent and every person authorised by the Government agent may, without thereby incurring any liability, and without diminishing the right of the President to rely upon any conditions of the policy enter, take or keep possession of the building or premises where the loss or damage has happened, and may take possession of or require to be delivered to them any of the property insured, and may keep possession of and deal with such property for all reasonable purposes and in any reasonable manner. This condition shall be evidence of the leave and licence of the Insured to the President so to do. If the Insured or any one acting on his behalf shall not comply with the requirements of the President, or shall hinder or obstruct the President or any person acting on his behalf in doing any of the above mentioned acts, then all benefits under this policy shall be forfeited. The Insured shall not in any case be entitled to abandon any property to the President whether taken possession of by the President or not.

10. No refund of premium shall be allowed in respect of the policy except as provided by or under the Emergency Risks (Factories) Insurance Act, 1962 (63 of 1962).

11. In the event of a transfer of interest, this policy may be assigned but such assignment shall not take effect until notice of assignment has been given to the President.



12. The Insured shall at all times take due precautions for the safety of the property insured having regard to the nature thereof, and in particular, if at any time any property insured sustains damage due to emergency risks, the Insured shall take all reasonable steps to preserve the property insured from damage or further damage, as the case may be.

13. If in his application for the insurance effected by the policy, the Insured shall have intentionally made a material mis-statement as to the value of the property insured all benefits under the policy shall be forfeited.

14. If the Insured shall fail to comply with any regulations or instructions made or issued under the authority of the Central Government for safeguarding the property against loss or damage from emergency risks, all benefits under the policy shall be forfeited.

15. The amount which the Insured may provide for depreciation and which may be entered in the annual accounts of the Insured shall not be taken as final and conclusive as against either the President or Insured in settling any loss or damage which may occur.

16. If the President elects to pay eighty per cent. of the cost of restoring any property insured, the Insured shall at his own expense produce and give to the President all such plans, documents, books and information as the President may reasonably require. The President shall not be bound to pay the cost of exact or complete restoration but only of such restoration as circumstances permit and as is reasonably sufficient and shall not in any case be bound to expend in respect of the property insured more than eighty per cent. of the sum insured thereon.

17. If the President elects to pay eighty per cent. of the cost of restoring the property insured, the Insured shall, if so required by the President reconstruct the factory or remove the factory to and reconstruct it in such other locality as may be specified by the President, in which case the Insured shall be compensated for the cost of removing and if necessary replacing such part of the property not affected by the loss or damage.

18. The following condition may be included in the policy at the request of the Insured:—

"It is hereby agreed and declared that.....shall, to the extent of their interest in the property insured, be entitled jointly with the Insured to the rights hereby granted to the Insured, but not so as to grant to them any further or greater rights than those of the Insured under this Policy."

### THIRD SCHEDULE

(See Paragraph 18)

Where any Officer authorised in this behalf by the Central Government, has reason to believe that the owner or occupier of any property insurable under the Act situated within the area over which he is authorised to act, has failed to insure as, or to the full amount, required by the Act or the scheme, or having applied for a policy of insurance under the Act or the scheme has failed to pay any premium payable under the Act within seven days of the date of commencement of the policy as stated in the application, and has thereby evaded the payment by way of premium of any money which he would have had to pay but for such failure, the Officer may serve on such owner or occupier a notice requiring him (i) to show cause on a date and at the time and place specified in this behalf why he failed to insure the property as, or to the full amount, required by the Act, and further (ii) to produce before the Officer on such date any document or other evidence in support of his case.

2. Upon cause being shown and after giving the defaulter an opportunity of being heard in support of the cause, the Officer shall assess the insurable value of the property and shall determine on the basis of such assessment the amount of the premium, if any, payment of which has been evaded by the defaulter. In doing so, the Officer shall take into consideration such information as he may have received in accordance with section 8 after giving the defaulter an opportunity to explain the same.

3. If an owner or occupier fails to show cause against a notice issued under paragraph 1 of this Schedule the Officer shall assess the insurable value of the property on the strength of such materials as may be available to him and shall

determine on the basis of such assessment the amount of premium payment of which has been evaded by the defaulter.

4. When any sum has been determined in accordance with paragraph 2 or paragraph 3 of this Schedule the Officer shall send to the defaulter a copy of his recorded assessment and determination, duly certified by him, and serve on him a notice of demand specifying (i) the amount payable by him, (ii) the date within which it shall be paid and (iii) the treasury into which it shall be paid.

5. Any person against whom an assessment and a determination have been made in accordance with paragraph 2 or paragraph 3 of this Schedule may appeal to the Government of India, Ministry of Finance, Department of Economic Affairs within thirty days of the date of receipt of the notice of demand.

6. Where an assessment and a determination is made against more persons than one in respect of the same property, every person preferring an appeal shall do so separately and in his own name.

7. An appeal under paragraphs 5 or 6 above shall contain all material statements and arguments relied on by the appellant, shall be accompanied by a copy of the notice of demand served upon the appellant, and shall be preferred through the authority against whose order the appeal is preferred.

8. The appellate authority shall consider

- (a) whether the facts on which the notice of demand was based have been established, and
- (b) whether the sum determined as payable is excessive, adequate or inadequate,

and after such consideration shall pass such order as it thinks proper. But no order enhancing the amount determined as payable by the appellant shall be passed without first communicating to him the grounds on which such order is proposed to be passed and giving him an opportunity to show cause against the same.

9. The appellant shall have no right to appear in person or to be represented before the appellate authority.

#### FOURTH SCHEDULE

(See Paragraph 18)

#### GOVERNMENT OF INDIA

#### EMERGENCY RISKS (FACTORIES) INSURANCE ACT, 1962 (63 OF 1962).

#### *Statement of claims under the Act*

Through.....

Government Agent.  
at.....

I/We..... of (address).....

do hereby solemnly declare that on or about.....  
O' clock A.M./P.M. Indian Standard Time on the .....  
day of ..... 19 , property which was insured under  
the policy or policies detailed in Schedule A annexed hereto, was destroyed or  
damaged by an act comprised in the expression "Emergency Risks" as defined by  
the Emergency Risks (Factories) Insurance Act 1962 (63 of 1962). The actual  
details of the act (manner in which the damage occurred) are given below:—

I/We further solemnly declare that at the time of the said loss or damage the  
actual value of the property as described in the said policy or policies amounted  
to Rs..... as more particularly set forth in the annexed Schedule  
B, and that apart from myself/ourselves no person other than.....  
has any interest in the said property.

I/We therefore claim from the Government of India the sum of Rupees .....  
as detailed in Schedule C annexed hereto and I/We solemnly declare  
that this Statement of Claims is a true and accurate statement of the loss sustained  
by me/us. without inclusion of profit of any kind.

Declared before me

this.....day of .....19 . Signed.....

and identified by.....

who is personally known to me. ....

COURT SEAL .....

MAGISTRATE

SCHEDULE A

*Statement of Policies in force on the date of loss or damage*

(1)	(2)	(3)	(4)
Policy No.	Date of Issue	Sum Insured	The property insured as described in Policy.

## SCHEDULE B

*Statement of property insured under the Act*

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(1)	(2)	(3)
Description of Property	Sound value of Property	Location of Property

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## SCHEDULE C

*Statement of loss or damage*

(1)	(2)	(3)	(4)	(5)
Description of property damaged or destroyed.	Sound Value	Value of Salvage	Actual Loss	Amount to be paid by the Central Government

## ASSESSOR'S CERTIFICATE

I/We..... being Assessor/s duly appointed under paragraph 18(2) of the Emergency Risks (Factories) Insurance Scheme certify that from a careful examination carried out by me/us of the scene of the loss or damage and from the production of books, documents, invoices and other evidence have satisfied myself/ourselves that the property was fully insured at the time of the loss or damage, and that the statement of claims as detailed herein. (\*and in our report attached) is a true and proper statement of the actual loss as the direct result of Emergency Risks only.

Time taken on assessment.....

Fee Rs.....

Signature of Loss Assessor.....

Address.....

Date.....

## RECOMMENDATION OF GOVERNMENT AGENT

We certify that the claim detailed in this Statement of Claims was received by us in accordance with Condition 7 of the Insurance Policy, that the Statement of insurances in force contained in Schedule A is a correct statement, that we have investigated the claimants' title, and we recommend that (i) (\*except as stated in the attached report) the sum of Rupees ..... be paid in full and final settlement of the loss, (ii) ..... and (iii) that the sum of Rupees..... be paid to the Assessor in respect of his fee and expenses.

Signature of Government Agent.....

Date.....

## GOVERNMENT ORDERS FOR DISPOSAL

\*Delete and initial deletion if no separate report.

## FIFTH SCHEDULE

(See Paragraph 18)

GOVERNMENT OF INDIA

EMERGENCY RISKS (FACTORIES) INSURANCE ACT, 1962 (63 OF 1962)

*Receipt of Claims*

Loss No.....

Received this..... day of..... 19..... from the Government of India the sum of Rupees..... in full discharge of all claims as the instalment of the claim upon them under the Policy/Policies No./Nos .. issued under the Emergency Risks (Factories) Insurance Act, 1962 (63 of 1962), for loss or damage, arising from Emergency Risks as defined in the said Act, which occurred on the..... day of..... 19..... in consequence of which the amount insured by this Policy is reduced to the extent of Rs.....

Signature of Claimant.

Stamp.

## SIXTH SCHEDULE

(See Paragraph 21)

*Account of sums received into and paid out of the "Emergency Risks (Factories) Insurance Fund during the year ending 19 .*

RECEIPTS		EXPENDITURE	
Amount	Progress of receipts upto the end of	Amount	Progress of expenditure upto the end of
Rs. nP.	Rs. nP.	Rs. nP.	Rs. nP.
1. Insurance Premiums		1. Remuneration and expenses of Government Agent and cost of forms .	
2. Advances from Consolidated Fund of India under Section 7(3) . . . .		2. Payments of liabilities under the Emergency Risks (Factories) Insurance Scheme and remunerations and expenses of Loss Assessors appointed under the Scheme	
3. Miscellaneous receipts		3. Payment under section 10 where a factory is required to be removed to and reconstructed in another locality . . . .	
		4. Refund of premium under Section 16 or under paragraph 15 of the Scheme .	
		5. Repayments of advances made under Section 7(3) .	
		6. Miscellaneous expenditure (showing details if necessary)	
		7. Sums disposed of in accordance with Section 7(4) .	
TOTAL			

## SEVENTH SCHEDULE

(See Paragraph 6)

## FORM 1

Transfer of Policy from owner to owner.

EMERGENCY RISKS (FACTORIES) INSURANCE ACT, 1962 (63 OF 1962)

*Notice of assignment to be completed in triplicate and sent for registration to the Government Agent.*

Policy No. ....

Buildings Rs. ....

Machinery/

Plant/Material Rs. ....

Total Rs. ....

Description and situation of Property.

I/We do hereby assign all my/our rights, title and interest in the above mentioned Policy and all benefits thereunder to

Dated this                      day of                      19 .

Witness to Signature

(Signature of Assignor).

I/We

Assignee

Assignees

in

accepting the above assignment agree that the application form referred to in the Policy as forming the basis thereof shall continue to form the basis of the policy.

Witness to Signature

(Signature of assignee).

Registered in the Office books of the Government Agent at this day of

(Signature of Government Agent)

NOTE.—In registering the assignment the President is not to be understood to express any opinion as to the validity or otherwise of the Deed or Deeds of which he receives notice.

The original of this form is to be returned to the Assignee.

The duplicate of this form is to be sent to the Accounts Officer concerned.

The triplicate of this form is to be retained by Government Agent.



## FORM 2

## CHANGE OF OCCUPIER

## EMERGENCY RISKS (FACTORIES) INSURANCE ACT, 1962 (63 of 1962)

*Notice of change of Occupier to be completed in triplicate and sent for registration to the Government Agent.*

Policy No.....

Buildings Rs.....

Machinery/Plant/Materials Rs.....

Total Rs.....

Description and Situation of Property.

Name and address of Owner.

I/We do hereby assign all our right to act as Agent of the Owner in the matter of maintaining the above policy in force, to the Occupier namely.....

Dated this                      day of                      19 .

Witness to signature

(Signature of Occupier)

I/We being the new Occupier/Occupiers in accepting the above assignment agree that the application form referred to in the Policy as forming the basis thereof shall continue to form the basis of the Policy.

(Signature of new Occupier)

Witness to signature.

Registered in the office books of the Government Agent at.....  
this                      day of                      19 .

(Signature of Government Agent)

Note.—In registering the assignment the President is not to be understood to express any opinion as to the validity or otherwise of the Deed or Deeds of which he receives notice. After registration the original of this form must be sent to the new Occupiers, the duplicate to the Accounts Officer concerned and the triplicate retained by the Government Agent.

**S.O. 3947.**—In exercise of the powers conferred by section 17 of the Emergency Risks (Factories) Insurance Act, 1962 (No. 63 of 1962), the Central Government hereby declares that the provisions of the said Act and of the scheme made thereunder shall apply to the insuring against emergency risks with effect from the first day of January, 1963, of:—

- (a) the plant and machinery, whether above or below ground, appertaining to mines as defined in the Mines Act, 1952 (35 of 1952), buildings appertaining to mines and within a radius of two miles from the mine excavation and in relation to such plant, machinery, buildings and materials above ground as would, if the mine were a factory, be included in the term property insurable under the said Act;
- (b) derricks, drills and rigs and group gathering stations and storage tank of oil mines, plant and machinery required for pumping, refining or processing any mineral oil, and pipe lines;
- (c) the whole of the distribution systems of gas supply undertakings;
- (d) the whole of the distribution and transmission systems, sub-stations, switch houses and transformer houses of electric supply undertakings;
- (e) the whole of the sluice houses, valve houses, water-pipe lines, penstocks and any other plant and machinery pertaining to the intake of hydraulic power of hydro-electric supply undertakings;
- (f) standing tea crops in any garden belonging to the owner of any factory; in the same manner as they apply to property insurable under the said Act which appertains to a factory.

2. (1) For the purposes of the application of the Emergency Risks (Factories) Insurance Scheme, in relation to the property insurable under item (f) of paragraph 1, the insurable value of the said property shall be ascertained in the following manner, namely:

- (a) the average annual sale proceeds of cured and processed tea sold from a garden during the three accounting years immediately preceding the date on which the growing tea crop in that garden first becomes insurable under the scheme shall be ascertained and from the said average annual sale proceeds deductions shall be made, firstly, on account of profit on sales, at an amount equivalent to five per cent of the ascertained average annual sale proceeds, and secondly, on account of the average annual expenditure attributable to curing, processing, transport, handling and sales, at an amount equivalent to the average annual recurring expenditure of the garden during the said three years as ascertained from the income and expenditure account, or, if no such account is maintained, from the profit and loss account (after excluding from such average annual recurring expenditure any expenditure on account of fertilisers, labour, establishment or any other expenditure connected with or arising out of agricultural operations),
- (b) the balance of the sale proceeds as arrived at in accordance with the provisions of clause (a) shall be treated as the annual value of the standing tea crop in the garden and the said annual value shall be insurable under the scheme,
- (c) the annual value of the standing tea crop in a garden as arrived at in accordance with the provisions of clause (b) shall be deemed, without any reference to the stage or degree of growth of the crop at any time, but subject to the provisions of clause (d), to be the insurable value thereof at all periods from the date of commencement of agricultural operations in the garden in any season to the date on which the plucking of tea in that garden is completed in that season, the dates aforesaid being certified in every season for the purposes of this scheme by the person who is liable to insure the crop,
- (d) the owner of any tea garden shall, when he first becomes liable to insure the standing crop in that garden and at the commencement

of any quarter during which any insurance policy issued under this scheme is in force thereafter, ascertain as nearly as may be in accordance with the principles set out in clauses (a) and (b), the value of the crop, which having been plucked is liable to or can be insured under the Emergency Risks (Goods) Insurance Scheme, and thereupon, the insurable value of the growing tea crop in that garden shall be reduced accordingly.

(2) If any doubt arises whether the insurable value of the standing tea crop in any garden has been correctly computed in accordance with the principles set out in sub-paragraph (1), the matter shall be referred to the Chairman, Tea Board, whose decision thereon shall be final.

3. In the application of the Emergency Risks (Factories) Insurance Scheme to the undertakings mentioned in paragraph 1, including the property mentioned at item (f) thereof, the Government agent may make such verbal or consequential modifications, not derogating from the substance thereof, in the relevant documents as may be necessary or expedient for the purpose of adapting those forms or documents to the requirements of the said undertakings.

[No. F. 112(10)-INS/I/62.]

**S.O. 3948.**—In exercise of the powers conferred by section 18, read with sub-section (6) of section 3, of the Emergency Risks (Factories) Insurance Act, 1962 (63 of 1962) (hereinafter referred to as the "Act"), the Central Government hereby directs that the provisions of the Act and of the Emergency Risks (Factories) Insurance Scheme made thereunder (hereinafter referred to as the "Scheme") shall with effect from the first day of January, 1963 extend and apply in the same manner as they apply to the insurance of property insurable under the Act in relation to a factory, to the insurance against emergency risks of inland vessels (including the hull, machinery and fittings thereof, and fuel and stores carried therein for the use of the vessel or the crew), being the property of any trading corporation or of any body of Port Trustees or Commissioners or of any other person, to the extent that such vessels are not for the time being property insurable under the Act and the scheme or goods insurable under the Emergency Risks (Goods) Insurance Act, 1962 (62 of 1962), and the scheme made thereunder, and the Central Government hereby further directs that the Scheme in its application to inland vessels shall be modified as follows:—

#### *Modifications*

In the Scheme—

(i) Paragraph 5 shall be omitted.

(ii) For clause (b) of paragraph 7, the following clause shall be substituted, namely:—

"(b) The hull, machinery and fittings of inland vessels, which are part of the property to be insured under the Scheme shall be valued as part of a serviceable vessel and not as scrap."

(iii) For sub-paragraph (1) of paragraph 11, the following sub-paragraph shall be substituted, namely:—

"(1) Every policy shall be in respect of all inland vessels insurable under the Act (including hull, machinery and fittings thereof, and fuel and stores carried therein for the use of the vessel or the crew) belonging to a single trading corporation or to a body of Port Trustees or Commissioners or other person specified by the Central Government under section 18."

(iv) In the first Schedule, in the forms of application for an original or a supplementary policy, for the entry "Description of Property to be insured", the following entry shall be substituted, namely:—

DESCRIPTION OF PROPERTY TO BE INSURED					
1	2	3	4		
Item No.	Registered No. Name or Mark of Identity	Description of vessel and purpose for which used	(a) Value of vessel including the machinery and fittings (if any)	(b) Value of fuel and stores for the use of the crew	(c) Total value of (a) and (b)
			Rs.	Rs.	

(v) In the form of policy set out in the Second Schedule, for the entry "Description and situation of the property insured", the entry "Description of property insured," shall be substituted and under the said entry, the columnar headings under the heading "Description of property to be insured" in the form of application for the issue of a policy, as they appear in the First Schedule, shall be inserted.

(vi) in the forms of application for an original or a supplementary policy set out in the First Schedule and in the form of policy set out in the Second Schedule, for the entries:—

"(a) Building.....Rs....."

(b) Plant, Machinery & Materials.....Rs....."

Total Rs....."

wherever they occur,

the following entries shall be substituted, namely:

"(a) Inland Vessels (including the hull, machinery and fittings thereof)....Rs....."

(b) Fuel and Stores for the use of the crew. Rs.....  
Total. Rs....."

(vii) At the end of condition 4, in the "Conditions" set forth in the Second Schedule the following shall be added, namely:—

"Every item, if more than one, of the Schedule of property insured by this policy, shall be separately subject to this condition."

(viii) in condition 9 of the "Conditions" set forth in the Second Schedule, for the words "the building or premises where the loss or damage has happened" the words "the vessel or property damaged" shall be substituted.

(ix) Condition 17 of the "Conditions" set forth in the Second Schedule shall be omitted and Condition 18 shall be renumbered as Condition 17.

[No. F. 112(11)-INS/I/62.]

**S.O. 3949.**—In exercise of the powers conferred by section 6 of the Emergency Risks (Goods) Insurance Act 1962 (62 of 1962), the Central Government hereby employs the Oriental Fire and General Insurance Company Limited, Bombay, to act as its agent for the purposes of the said Act.

[F. No. 112(20)-INS/I/62.]

**S.O. 3950.**—In exercise of the powers conferred by sub-section (1) of section 5 of the Emergency Risks (Factories) Insurance Act 1962 (63 of 1962), the Central Government hereby specifies the first day of January 1963 as the date for the purposes of that sub-section.

[F. No. 112(18)-INS/I/62.]

**S.O. 3951.**—In exercise of the powers conferred by sub-section (1) of section 7 of the Emergency Risks (Goods) Insurance Act, 1962 (62 of 1962), the Central Government hereby specifies the first day of January 1963 as the date for the purposes of that sub-section.

[F. No. 112(19)-INS/I/62.]

**S.O. 3952.**—In exercise of the powers conferred by section 4 of the Emergency Risks (Factories) Insurance Act, 1962, (63 of 1962) the Central Government hereby employs the Oriental Fire and General Insurance Company Limited, Bombay, to act as its agent for the purposes of the said Act.

[F. No. 112(17)-INS/I/62.]

**S.O. 3953.**—In exercise of the powers conferred by sub-section (2) of section 3 of the Emergency Risks (Goods) Insurance Act, 1962 (62 of 1962), the Central Government hereby directs that the goods of the description specified in the Schedule annexed hereto shall, notwithstanding anything contained in (i) section 3, be deemed to be goods not insurable under the said Act.

Provided that nothing in the Schedule shall, in relation to any person carrying on a business in the course of which he constructs or repairs ships or propelling machinery for ships, have effect in relation to any goods appropriated by him for the construction or repair of any particular ship or part of such ship.

#### SCHEDULE

1. Goods forming the subject of a hire purchase agreement or agreements, wherein the hirer is a person not carrying on the business of selling, letting or hiring goods of the description so hired and wherein provision is made for payment spread over a period of not less than six months.

2. Coal (including anthracite and cannel coal) and coke, lignite whether briquetted or not, and manufactured fuel of which coal coke or lignite is the chief constituent.

3. Iron ore.

4. Manganese ore of all descriptions except manganese ores used in the manufacture of chemicals, electric batteries, manganese metal, glass or ceramics.

5. Chrome ore.

6. Ores, concentrates, drosses, and residues for the smelting of aluminium, antimony, copper, lead, nickel, zinc, spelter and tin.

7. Ores, concentrates, mattes, drosses and residues of gold, silver, platinum, palladium, iridium, rhodium, osmium and ruthenium.

8. Non-metalliferous mining and quarry products, unmanufactured, other than mica and salt (sodium chloride).

9. China clay.

10. Crude asbestos.

11. Cement including asbestos cement and cement clinker.

12. Lime.

13. Bricks and tiles of brick-earth and clay, and refractory bricks, blocks and tiles.
14. Sheets, pipes and other building materials made partly of cement and partly of asbestos.
15. Slates for roofing.
16. Granite blocks.
17. The following manufactures of stone, namely,
  - (a) pavement kerbs and setts;
  - (b) channels;
  - (c) slabs and flags; and
  - (d) manufactured stone for building purposes.
18. Concrete products of all descriptions.
19. Low tension insulators suitable for pressures up to six hundred and fifty volts.
20. Heavy stoneware jars and pipes.
21. Cinder, scale and slag.
22. Recovered sewage grease and sewage sludge.
23. Scrap of the following metals and alloys thereof, namely, aluminium, antimony, copper, lead, nickel, tin, zinc and spelter.
24. Iron and steel scrap.
25. Spent oxide of iron.
26. Lead in white lead stacks and chambers.
27. Nickel, unwrought, in all forms.
28. Copper, unwrought, whether refined or not, in ingots, bars, billets, wirebars, blocks, slabs, cakes, cathodes, anodes and rods, and copper shot.
29. Aluminium, antimony, lead, nickel, tin, zinc and spelter unwrought, in ingots, pigs, blocks, cakes, bars and slabs.
30. Gold, silver, platinum, palladium, iridium, rhodium, osmium and ruthenium and alloys thereof in grains, ingots, bars, wires or powder.
31. Alloys of aluminium, antimony, copper, lead, nickel, tin, zinc or spelter unwrought, in ingots, pigs, blocks, cakes, bars and slabs.
32. Iron and steel of the following descriptions, namely,—
  - (a) pig iron;
  - (b) ferro alloys other than in powder form;
  - (c) ingots;
  - (d) billets, blooms and slabs;
  - (e) tinplate and sheet bars;
  - (f) plates, medium plates, whether fabricated or not; sheets, coated and uncoated;
  - (g) angles, channels, tees, joists, piling sections and other sectional material, whether fabricated or not,
  - (h) rounds, rods, wire rods, squares, hexagons, flats and all other sections and shapes, other than bright;
  - (i) rails, sleepers fishplates and sole plates; Tinplates, terne plates, black plates and silver finished plates;
  - (j) hoops and strips, hot or cold rolled, other than bright;
  - (k) tyres, axles and wheels, other than those held for the assembly of bicycles and motor vehicles or spare parts thereof;

- (l) castings, blocks for forgings, blocks for pressings forgings and stampings (except where wholly or partly machined) and pressings;
- (m) colliery arches and pit props;
- (n) pipes, coated and uncoated, and hot finished tubes;
- (o) assemblies of plates and sectional materials as component parts of structures.

33. Aluminium, brass, copper and nickel-silver and yellow metal in sheets and circles.

34. Gold, silver, platinum, palladium, iridium, rhodium, osmium and ruthenium, and alloys thereof, in sheets or tubes, and ply-metal in the form of sheets, tubes or wires of which any of the said metals or any alloy thereof is a component.

35. Natural pearls, mounted or unmounted.

36. Other precious and semi-precious stones, unmounted, cut or uncut.

37. Gem-set jewellery, that is to say, precious and semi-precious stones mounted in gold or platinum, palladium, iridium, rhodium, osmium and ruthenium.

38. All other jewellery or other articles made, except for fittings and embellishments, of gold, silver, platinum, palladium, iridium, rhodium, osmium and ruthenium and alloys thereof.

39. Jewelled watch cases.

40. Gold sovereigns and half sovereigns.

41. Unmounted diamonds, whether rough or polished, and industrial diamonds, mounted or unmounted.

42. Paintings in oil or water colours, pencil, ink and charcoal drawings pastels on canvas, paper boards or paper, and hand-printed impressions taken from blocks, plates or like material, whether framed or unframed and sculpture, whether in the round, in relief or in intaglio.

43. Postage stamps intended for collection purposes denoting a postal service or services, being marks or devices embossed or impressed or comprised in a label.

44. Objects of art or craftsmanship being not less than one hundred years old.

45. The following compounds of radium of a concentration exceeding ten per cent, namely, bromide, carbonate, chloride and sulphate.

46. Printing machinery of the following descriptions, namely, type-setting, letter press (including rotary and flat bed), lithographic, photogravure and stereotyping.

47. Printed books being not less than fifty years old and manuscripts.

48. Slates for damp-courses and slate slabs.

49. Gas of the kind supplied by public utility undertakings, other gases sold as fuel, and water and electricity.

50. Any goods situated at a port or on any vessel in India which while so situated are covered against emergency risks by a marine insurance policy and any goods in respect of which a policy of insurance is in force whereby the owner of the goods for the time being is insured in respect thereof against emergency risks, provided that if the value of the goods for the time being exceeds that for which they are covered against emergency risks by the policy, the goods shall be insured under the Emergency Risks (Goods) Insurance Act, 1962 (62 of 1962) for such excess.

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A.BAKSI, Jt. Secy.

